



# राजपत्र, हिमाचल प्रदेश

## (असाधारण)

हिमाचल प्रदेश राज्यशासन द्वारा प्रकाशित

शिमला, सोनारार. 13 दिसम्बर, 1971/22 मघास्यन, 1893

### GOVERNMENT OF HIMACHAL PRADESH PANCHAYATI RAJ DEPARTMENT NOTIFICATION

*Simla-4, the 18th November, 1971*

No. 6-4/68-Pnt. Sectt.—With a view to granting loans to Panchayati Raj Bodies in Himachal Pradesh under the scheme “Creation of Remunerative Assets” the Governor, Himachal Pradesh is pleased to make the following Rules entitled “The Rules Regulating the Grant of Loans to Panchayati Raj Bodies in Himachal Pradesh under the Scheme Creation of Remunerative Assets” and the same are hereby published in the official Gazette for information of all concerned.

#### RULES REGULATING GRANT OF LOANS TO THE PANCHAYATI RAJ BODIES IN HIMACHAL PRADESH

1. *Short title.*—These rules may be called as “The Rules Regulating Grant of Loans to Panchayati Raj Bodies in Himachal Pradesh under the Scheme Creation of Remunerative Assets”.
2. *Extent.*—These rules shall apply only to such loans as may be paid by Himachal Pradesh Government to the Panchayati Raj Bodies in the State.
3. *Purpose.*—The loans will be sanctioned for the following schemes:—
  - (i) Raising of orchards.
  - (ii) Construction of stalls, shops etc.

(iii) Any other purpose, which the Government may declare remunerative for the sanction of loan with such conditions as the Government deem fit.

4. *Interest.*—The interest on loans will be charged from the loanee Panchayati Raj Bodies from the date of the payment of loans at the rates to be fixed by the Government of Himachal Pradesh, from time to time.

5. *Re-payment.*—The loans shall be re-paid by the Panchayati Raj Bodies in Annual equated instalments of principal and interest not exceeding 20. First instalment in the case of orchard shall be due in the sixth year from the date of release of the loans and in the case of stalls, shops etc., it will be due on the expiry of two years from the date of release of loan. For the third category of loans, the terms and conditions for the re-payment of loans shall be determined by the Government as deemed necessary.

6. *Exceptions.*—In exceptional cases, the Government may, however, modify the number of instalments at any time without assigning any reason and may also direct any Panchayati Raj Body that the payment of first instalment should start earlier or later subject to the condition and period of re-payment of loan does not exceed 30 years in any case.

The Government may, at any time, without assigning any reason, confiscate any asset created by the Panchayati Raj Body out of the loan, including land and structure involved.

7. *Sanctioning authority.*—The authorities specified below would be competent to sanction loans to each Panchayati Raj Body to the extent indicated against each, in respect of each item of loans:—

- (i) Deputy Commissioner ..... Rs. 5,000
- (ii) Director of Panchayati Raj ..... Rs. 10,000
- (iii) The Government in the Administrative Department Rs. 15,000
- (iv) The Finance Department ..... Above Rs. 15,000.

8. *Drawing and Disbursing Officer.*—The District Panchayat Officer/District Development and Panchayat Officer (as the case may be) shall be the Drawing and Disbursing Officers. In special circumstances, the Director of Panchayati Raj shall be competent to declare any other officer as such.

9. *Penalty for non-payment of annual instalments in time.*—The Panchayati Raj Body shall lay a penal interest at the rate of Rs. 8 per cent per annum in the case of non-payment of Annual Instalments and the normal interest in time.

The case of default for the payment of Annual Instalment, normal interest and the penal interest, the Government may confiscate any asset created out of loan, and recover the un-recovered amount of loan. In exceptional cases where the Government is satisfied of the genuineness of a particular case, it may write off the entire balance amount of loan or a portion thereof which remains un-recovered, if the same does not exceed Rs. 50,000.

10. *Mode of payment.*—The sanction of loans will be conveyed by the authorities specified in rule 7 above to the District Panchayat Officer/District Development and Panchayat Officer (as the case may be) and the latter after getting the agreement executed from the loanee body in form 'A' appended to these rules, shall deposit the amount of loan in the Co-operative Bank/Post Office in the name of the loanee. The withdrawal from the Bank/Post Office will be made by the loanee body on the withdrawal form duly countersigned by the District Panchayat Officer/District Development.

and Panchayat Officer (as the case may be) who will do so on the basis of progress of work done. The account with the Bank or the Post Office will be pledged in favour of the respective District Panchayat Officer/District Development and Panchayat Officer.

**11. Procedure for applying for loans.**—The Panchayati Raj Body desirous of availing the benefit of loan, shall pass a resolution to this effect and send its application in form 'B' appended to these rules to the Block Development Officer who after examination will forward it to the District Panchayat Officer/District Development and Panchayat Officer (as the case may be) along with the plan and estimates of the scheme duly verified by the technical authority at block level. The latter will get the proposal scrutinized and verified by the concerned technical authority at the district level and will ensure that the funds are got sanctioned from the competent authority. The Schemes proposed by the Zila Parishads will be submitted direct to the District Panchayat Officer/District Development and Panchayat Officer who will get the same verified by the technical authority at the district level.

**12. Plan and estimate of the scheme.**—In case of orchard, the lay out plan and estimate will be prepared by the Agriculture Inspector/Horticulture Inspector and scrutinized by the District Agriculture Officer/Horticulture Officer. As regards stalls, shops etc., the plan and estimate will be prepared by the Block Overseer and scrutinized by the Assistant Engineer at the District level. In case of other schemes approved by the Government, the respective departmental technical authorities i.e., Block Overseer/Agriculture Inspector/Horticulture Inspector/Industries Inspector at the block level and Assistant Engineer/District Agriculture/Horticulture/Industries Officers will be the verifying authorities at the district level.

**13. Guide lines for sanctioning authority.**—The sanctioning authority before sanctioning the loans shall ensure that—

- (i) The Panchayati Raj Body is in a position to acquire land for the purpose within a reasonable period of time.
- (ii) The application of the Panchayati Raj Body along with plan and estimate of the scheme duly verified by the technical authority, are enclosed with the proposal.
- (iii) The scheme is such which will augment the resources of Panchayati Raj Body and will be capable of earning a net profit equal to at least 3 per cent of the total investment per annum, immediately after the completion of these scheme.

**14. Guide lines for the disbursing officer.**—The disbursing officer shall ensure that the loan is disbursed to the Panchayati Raj Body after it has acquired land for the purpose for which loan has been sanctioned and also after getting the agreement in form 'A' executed. He will also ensure that the loans are utilised on the specific purpose for which it has been sanctioned.

**15. Utilisation of loan.**—The loan for orchards will be utilised within five years from the date of release whereas in other cases the utilisation period will be one year. In case the loans are not utilised within the specified period, the authorities specified below will be competent to grant extension of utilisation period to the extent indicated against each:—

- (i) Deputy Commissioner—1 year
- (ii) Director of Panchayati Raj—2 years.
- (iii) The Government in the Administrative Department—3 years.

No extension beyond three years will be allowed in any case.

**16. Utilisation Certificates.**—The District Panchayat Officer/District Development and Panchayat Officer (as the case may be) will be responsible to ensure that the loan is utilised by the Panchayati Raj Bodies within the stipulated period. He will also send a utilisation certificate in this behalf in form 'C' appended to these rules to the sanctioning authority.

**17. Refund of loan.**—Where the Panchayati Raj Body fails to start the scheme in the manner prescribed in these rules within one year from the date of release of loan without any cogent reasons, the entire amount of loan shall be refundable to the Government.

**18. Authority responsible for the recovery of loan.**—The District Panchayat Officer/District Development and Panchayat Officer (as the case may be) will be responsible to effect timely recovery from the loanee Panchayati Raj Body alongwith normal and penal interest in the case of default. He will issue show cause and demand notice for recovery becoming over due and will also initiate further action, if any, for confiscation of assets, created or for the writ off of irrecoverable money.

**19. Reports and Returns.**—The Block Development Officer will send quarterly reports to the District Panchayat Officer/ District Development and Panchayat Officer (as the case may be) in forms 'D' and 'E' regarding utilisation and recovery respectively. The latter after consolidating the same will send similar reports to the Director of Panchayati Raj for maintaining proper accounts.

**20. Maintenance of accounts.**—The District Panchayat Officer/District Development and Panchayat Officer (as the case may be) will maintain the accounts in a register in form 'D' after getting the same from respective Block Development Officers. So also the Director of Panchayati Raj will maintain a register in form 'E' on the basis of the reports received from the district officers.

All records will be made available to the Officer of Accountant General/O.A.D., Parties for Audit.

**21. Hypothecation of assets.**—The Panchayat Raj Bodies shall hypothecate the assets to the Government till the loan is repaid in full with interest thereon.

**22. Modification of rules.**—The Government may, at any time, modify any of these rules or lay down additional rules which shall be binding on the loanee Panchayati Raj Bodies.

FORM 'A'

(Rule 10)

### AGREEMENT FORM FOR LOAN

This agreement made this..... day of.....  
19....., between the Himachal Pradesh Government hereinafter referred to as the Government of the one part, and the Gram Panchayat/Panchayat Samiti/Zila Parishad (hereinafter referred to as the 'Panchayat/Panchayat Samiti'/Zila Parishad of the other part.

Whereas the Panchayat, Panchayat Samiti/Zila Parishad applied vide resolution No..... dated..... for the loan of..... and the loan of Rs..... has been sanctioned to the Panchayat/Panchayat Samiti/Zila Parishad on the terms and conditions, prescribed for the purpose for the sanction of loans to the Panchayat/Panchayat Samiti/Zila Parishad under the scheme 'Creation of Remunerative Assets',

Now, therefore, in consideration of the Government having agreed to the Panchayat/Panchayat Samiti/Zila Parishad, the said loan, the Panchayat/Panchayat Samiti/Zila Parishad hereby agree with the Government as follows:—

1. The work shall be executed as per approved estimates attached with the loan application of the Panchayat. Panchayat Samiti, Zila Parishad and under the terms and conditions prescribed for the purpose.
2. The officer of the Panchayat Department will have free access to the scheme and will be competent to inspect/impect the work from time to time.
3. That the Panchayat/Panchayat Samiti/Zila Parishad shall utilise the money lent to it on the specific purpose of..... for which it has been sanctioned and to no other purpose.
4. That the Panchayat/Panchayat Samiti/Zila Parishad shall fulfil all the conditions under which the loan has been sanctioned and shall maintain the accounts in such a fashion as to prove that the loan has been utilised properly.
5. That the Panchayat/Panchayat Samiti/Zila Parishad shall be bound to comply with all the instructions, issued to it by the Government or the Director of Panchayati Raj, from time to time.
6. That the Panchayat/Panchayat Samiti/Zila Parishad shall reply to the Government the said amount of Rs..... within a period of years in..... in annual instalments of equal amount starting from..... year. The State Government may however modify the clause at any time without assigning any reason and such modification shall be binding on the parties.
7. That the Government may at the request of the Panchayat/Panchayat Samiti/Zila Parishad shall exercise the discretion of extending the date of payment of any or all the annual instalments, under special circumstances.
8. That the Panchayat/Panchayat Samiti/Zila Parishad even in the event of a loss, shall be liable to make refund of the amount of the loan to the Government.
9. That the Panchayat/Panchayat Samiti/Zila Parishad in the event of not paying the annual instalment in time shall be liable to pay penal interest at the rate of 8 per cent per annum.
10. That the Panchayat/Panchayat Samiti/Zila Parishad in the event of not utilising the amount of loan properly in accordance with the terms and conditions prescribed for the purpose and other instructions issued to it by the Government or the Director of Panchayati Raj, Himachal Pradesh, shall be liable to make immediate refund of the amount of the loan to the Government.
11. That the Panchayat/Panchayat Samiti/Zila Parishad will complete the scheme within a period of..... year(s) and in default shall refund the amount of the loan to the Government.
12. The asset raised by the Panchayat/Panchayat Samiti/Zila Parishad with the loan sanctioned by the Government will not, without the prior sanction of the Government be disposed of or encumbered

or utilised for purposes other than that for which the loan is intended.

13. If any dispute arise out of this agreement or any doubt arises as to the interpretation of any of the above clauses the decision of the Government of Himachal Pradesh thereon, will be final and binding on the parties concerned.
14. The Government may at any time modify, without assigning any reason, any of the terms and conditions of this agreement and such modification shall be binding on the parties.
15. That the Gram Panchayat/Panchayat Samiti/Zila Parishad have read and understood the rules governing the grant of loan to the Panchayati Raj Bodies in Himachal Pradesh for the creation of remunerative assets and have agreed to abide by them.

In witness whereof the agreement has been signed in the \_\_\_\_\_ year of Republic of India in the presence of—

1. Witness.....
2. Witness.....

Sd/-

(1) Sarpanch/President of Gram Panchayat.  
(duly authorised by Panchayat).  
Chairman Panchayat Samiti/Zila Parishad.

for and on behalf of the Governor.

Sd/-

District Panchayat Officer/District Development and Panchayat Officer.

FORM 'B'  
(Rule 11)

1. Name of Panchayati Raj Body.
2. Full address.
3. Purpose for which loan is needed.
4. Whether Panchayati Raj Body will be in a position to acquire land within a reasonable period of time. (The application will be entertained only, if the Panchayati Raj Body replies in a affirmative).
5. Total amount proposed to be spent on the scheme (the plan and Estimates duly verified by Block Overseer/Agriculture Inspector/Horticulture Inspector will support this amount and should be enclosed with the application).
6. Anticipated annual gross income on the completion of the scheme.
7. estimated annual maintenance charges on the scheme.
8. Net annual profit. (This will be the difference of column Nos. 6 and 7).
9. Amount of loan applied for.

10. Number of annual equated instalments, in which the Panchayati Raj Body will make repayment of the loans applied for. (The number of instalments in no case will exceed 20).
11. Whether the Panchayati Raj Body accepts the obligation to repay the loan to the Government according to the terms and conditions set forth in the rules regulating the grant of loans to the Panchayati Raj Body in Himachal Pradesh for the creation of remunerative assets. (The application of the loanee will be entertained only if its reply is in affirmative).
12. Whether the Panchayati Raj Body has given its consent to the undertaking of the above scheme (A copy of the resolution of the said body be attached).

*Signature of Sarpanch/President Gram  
Panchayat.....*

*Chairman, Panchayat Samiti/Zila Parishad.*

FORM 'D'  
(Rule 20)

**QUARTERLY PROGRESS REPORT FOR THE UTILISATION OF  
LOAN**

1. Serial number.
2. Name of loanee body.
3. Account of loan advanced.
4. Date of disbursement.
5. Amount utilised out of loan during the quarter under report.
6. Amount of loan utilised upto date since the inception of this scheme.
7. Reasons for non-utilisation.
8. Extent of progress made during the quarter against the amount of loan utilised.
9. Whether the scheme is being carried out according to the plan and estimate.
10. Net income derived during the quarter under report.
11. Net income derived up-to-date since the inception of the scheme.
12. Remarks.

